

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

CATALINA HOLDINGS (BERMUDA))	
LIMITED,)	
)	Case No:
<i>Petitioner,</i>)	
v.)	Judge:
)	
JENNIFER HAMMER, Director of)	
Insurance of the State of Illinois, as)	
Liquidator of Legion Indemnity Company,)	
)	
<i>Respondent.</i>)	

**CATALINA HOLDINGS (BERMUDA) LIMITED’S PETITION FOR CONFIRMATION
OF ARBITRATION AWARD**

Petitioner, Catalina Holdings (Bermuda) Ltd. as successor in interest to Alea Group Ltd. and Rhine Re (“Petitioner” or “Catalina”), by and through its undersigned attorneys, Novak Law Offices, hereby moves for an order confirming an arbitration award issued July 31, 2018 (“Award”), (attached hereto as Exhibit B) following a hearing in the arbitration between Catalina and Respondent, Legion Indemnity Company in Liquidation (“Respondent” or “Legion”). In support of its Petition, Catalina states as follows:

PARTIES

1. Petitioner is a company organized under the laws of Bermuda with its principle place of business in Bermuda.

2. Respondent is the Illinois Director of Insurance acting as court appointed Liquidator for Legion Indemnity Company, which was an insurance company organized under the laws of the State of Illinois with its principal place of business in Chicago, Illinois.

JURISDICTION AND VENUE

3. Jurisdiction in this matter is based upon federal question jurisdiction pursuant to 9 U.S.C. § 203 (2012).

4. Both Bermuda (as a territory of the United Kingdom) and the United States of America are signatories of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, *opened for signature* June 10, 1958, 84 Stat. 692 (“Convention”). The Convention is enacted into U.S. law at 9 U.S.C. § 201.

5. The Award falls under the Convention as it arose from a written arbitration agreement between Petitioner and Respondent. 9 U.S.C. § 202 (2012).

6. Venue is appropriate under 28 U.S.C. § 1391 (2012) and 9 U.S.C. § 204 (2012) as Respondent’s principal place of business is in Chicago, Illinois.

CONFIRMATION OF AWARD

7. Petitioner moves for confirmation of the Award pursuant to the Federal Arbitration Act (“FAA”) under 9 U.S.C. § 9 (2012) and 9 U.S.C. § 207 (2012).

8. Petitioner and Respondent are parties to the following reinsurance treaties (collectively referred to as “Subject Treaties”):

- a. Contractors Wrap-Up/Projects and Discontinued Completed Operations Casualty Quota Share Reinsurance Agreement, effective January 1, 2000 through January 1, 2001 (ref. 121002/128702).
- b. Contractors Wrap-Up/Projects and Discontinued Completed Operations Casualty Quota Share Reinsurance Agreement, effective January 1, 2001 through January 1, 2002 (ref. 121003/128703).

- c. General Contractors and Sub-Contractors Casualty Quota Share Reinsurance Agreement, effective January 1, 2001 through January 1, 2002 (ref. 121303/121403).
 - d. Contractors Excess Wrap-Up Quota Share Reinsurance Agreement, effective January 1, 2000 through January 1, 2001 (ref. 136402).
 - e. Mobile Crane Rental Program Excess of Loss Reinsurance Agreement, effective March 1, 2000 through February 28, 2001 (ref. 141101).
 - f. Casualty Quota Share Reinsurance Agreement (A.C.T. Preferred Residential, U.S. Risk Underwriters) effective July 1, 2000 through July 1, 2001 (ref. 153901).
9. All of the Subject Treaties contain an arbitration clause.
10. On December 21, 2016, Legion demanded a consolidated arbitration against Catalina under all of the Subject Treaties.
11. An Organizational Meeting was held on July 27, 2017, in Chicago during which both parties approved the three member arbitration panel ("Panel").
12. A hearing was held on June 12-14, 2018 at the Chicago law offices of Thompson Coburn LLP.
13. During the hearing, the parties had the opportunity to present witnesses, cross-examine witnesses, and present documentary evidence. The Panel also heard oral argument from counsel.
14. After having reviewed all evidence and arguments submitted by the parties as well as evidence and arguments offered during the hearing the Panel issued an Initial Final Award on June 21, 2018. A true and accurate copy of the Initial Final Award is attached hereto as Exhibit A.

15. After soliciting and considering additional evidence regarding attorney's fees, the Panel issued a Final Award on July 31, 2018. A true and accurate copy of the Final Award is attached hereto as Exhibit B. The Final Award incorporates the Interim Final Award.

16. 9 U.S.C. § 207 provides "[t]he court shall confirm the award unless it finds one of the grounds for refusal or deferral of recognition or enforcement of the award in the said Convention."

17. There is no basis for refusal or deferral of recognition under the Convention.

18. The FAA requires courts to grant a Petition to Confirm an arbitration award "unless the award is vacated, modified, or corrected" 9 U.S.C. § 9.

19. The Award has not been vacated, modified, or corrected.

WHEREFORE, the Petitioner respectfully asks the Court to confirm the Final Award and enter an order:

- (a) holding Legion owes Catalina \$76,602.63 in unpaid premium on the Subject Treaties;
- (b) ordering Respondent to pay Petitioner \$437,501.04 in fees and costs; and
- (c) any other relief the Court deems just and proper under the circumstances.

DATED: August 17, 2018

Respectfully submitted,

/s/ Neal R. Novak

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*Attorneys for Petitioner, Catalina Holdings
(Bermuda) Limited*

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on August 17, 2018, a true and correct copy of Catalina Holdings (Bermuda) Limited's Petition to Confirm Arbitration Award was sent via regular mail to:

Jennifer Hammer, Director
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767

And via electronic mail to Office of Special Deputy Receiver at bstatter@ostchi.com per the direction of the Illinois Department of Insurance.

Respectfully submitted,

/s/ Neal R. Novak

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